

MINUTES
MONTANA HISTORICAL SOCIETY
BOARD OF TRUSTEES MEETING

Montana Historical Society, Boo MacGivra Auditorium
Helena, Montana
Friday, January 16, 2009

In attendance were Montana Historical Society Board of Trustees members Jim Murry, Jim Utterback, Steve Lozar, Sharon Lincoln, Jack Lepley, Lee Rostad, Crystal Wong Shors, Ed Smith, Shirley Groff, Jim Court, Lee Rostad, Thomas Nygard, George Horse Capture and Emeritus Board Member Robert Morgan. Also in attendance were MHS Director Richard Sims, MHS Administrative Assistant Renee Podell, MHS State Historic Preservation Officer Mark Baumler, MHS State Archaeologist Stan Wilmoth, MHS Public Relations Tom Cook, MHS Administrator Denise King, MHS Research Center Program Manager Molly Kruckenberg, MHS Museum Program Manager Bill Mercer, MHS Outreach and Interpretation Program Manager Kirby Lambert, MHS Special Projects Manager Susan Near, MHS Publications Manager Molly Holz, MHS Graphic Designer Diane Gleba Hall, MHS Curator of History Patty Dean, and MHS Government Records Archivist Jeff Malcomson, MHS Research Manager Molly Kruckenberg, MHS Library Manager Brian Shovers, MHS Program Specialist Deb Mitchell, Chairwoman of the Original Governor's Mansion Board President Norma Jean Kelly, OGM Board members Debbie Pascool, Laura Schroeder and Vicki Woodrow.

CALL TO ORDER

President Jim Murry called the meeting to order at 9:00 a.m. George Horse Capture gave the blessing of the meeting.

REVIEW OF MINUTES

Tom Nygard moved to approve the minutes from the October 16, 2008 meeting, Sharon Lincoln seconded, all voted in favor and the motion carried unanimously.

Jim announced that Katherine Lee has resigned her Board position. She has moved out of state and he encouraged everyone to send her an email wishing her the best. Jim also suggested that if any Board member knows of anyone who is interested in becoming a Board member to have them write the Governor about their interest and to include a little about their background. He noted that any Board member can make a recommendation. Jim named Lee Rostad, Jim Court and Jim Utterback as Board members whose terms are due to expire. He recommended these three Board members write to the Governor if they are interested in continuing to serve.

Jim announced that Denise King and Richard Sims were at the Capitol attending a subcommittee hearing on the MHS budget. He will be jumping around from the prepared meeting agenda.

Sharon Lincoln said she was really happy to see the *Society Star* publication come out recently and congratulated Tom Cook and staff on a fine job.

Tom Nygard wished to go on record for giving Molly Holz, her staff and associates credit for the last issue of *Montana The Magazine of Western History*, Winter issue. He said it was a magnificent, stand out issue and one of the finest he has seen in close to a decade. Jim Murry asked that Tom's comments be recorded as coming from the entire Board.

Jim Murry read a copy of a letter sent to Governor Brian Schweitzer on January 16, 2009, from Janet R. Kelly, Director of Department of Administration, regarding the building project for the new Montana Heritage Center (copy of letter has been made a part of the packet of meeting minutes dated January 16, 2009). Jim announced that the Capital Hill Mall proponents did not meet the January 15, 2009 deadline for the \$13 million fundraising challenge and Janet Kelly's final sentence in the letter stated she concludes that the Sixth and Roberts location is the best choice for the new Montana Heritage Center.

PROGRAM MANAGERS REPORTS

OUTREACH AND INTERPRETATION PROGRAM REPORT-Kirby Lambert

Kirby introduced Deb Mitchell. Deb has worked with Outreach and Interpretation Program for nine years. She manages the tour program which includes the Capitol, the OGM and the museum. During the Legislative session her program is very busy because so many schools want to come and visit the museum and see the Legislative process. Deb has been working with the Legislative Division in a partnership with Gayle Shirley, Information Officer, who talks with the kids on how the Legislative process works. Deb schedules the tours with Gayle and also schedules with the Supreme Court, if the upper classes want to go to the Supreme Court. She develops the tour calendar. She said it has been rewarding to see this program develop and grow within the other divisions at the Capitol. Another project Deb has been working on is the Indian Education for All Program for high school students. Leaders wanted to make sure that the Native American young people were introduced to the Native American culture before they leave high school. She has worked with Steve Lozar and Joe Anderson, the IEFA coach in the Lewis and Clark area, developing a day here at the Society where the students could come to study under Native American specialists. Capital High School came in December and Helena High School will come on February 10th. Deb invited the Board to come and see what they are learning. Deb also is working on docent training. This project has grown from a statewide interpretative training to a regional training and includes the states of Wyoming, Washington and Idaho. This training will be held in April. Kent Kleinkopf asked Deb if the tours are limited to Helena. Deb stated the tours are a statewide opportunity.

MUSEUM REPORT-Bill Mercer

Bill Mercer said he was sure everyone had noticed the changes that have taken place in the old museum store space. This is a collaborative project between the Museum Program and the

Outreach and Interpretation Program. The space will be turned into a hands-on interpretative gallery aimed at kids from 4 – 8 years old. It will be divided into four sections, toys and games, transportation, shoes and food. There will be a combination of drawers that kids can pull out, as well as objects that they can potentially take out. As an example, there will be a University of Montana basketball player's tennis shoe in size 19, which kids will find interesting in comparison to their tennis shoe at size 4. Bill explained the Capitol Art Project stating that every two years the MHS Museum has the responsibility of allowing certain elected officials to select works of art that are owned by the Montana Historical Society so they can decorate their offices. This project is facilitated for the Governor's office, the Lieutenant Governor's office, the President of the Senate, and the speaker of the House. It has become a very popular project and calls come in from various offices around the Capitol complex requesting art. The Auditor's office, the Chief Justice of the Supreme Court has called requesting art and Bill wants to tighten up state policy on the loaning of art. He is asking for an expansion of the policy to include not only the four offices mentioned but also the Secretary of State office. He proposed an amendment to the Board policy. Jim Court asked Bill if there was a reason this couldn't just be expanded to other offices or to the Capitol building. Bill stated there are two major hurdles: 1. MHS doesn't have enough works of art that would be appropriate to be rather unmonitored in the office situation; 2. MHS doesn't have enough staff to facilitate a large number of offices. Tom Nygard said it is important to notice Bill's wording of appropriate works in an unmonitored place. Most of the works in the collection of the Society are things that need to be kept under thumb. Keeping a lid on this thing is a better idea than expanding the project. Janene Caywood asked Bill what kind of program is in place at this time to monitor the loaned art. Bill said there is a monthly monitoring situation and the pieces in the offices of the President of the Senate and the Speaker of the House only stay in those offices for the Legislative session. Bill further explained that the proposed amendment would cover the offices of the Governor, Lieutenant Governor and Secretary of State throughout a two year period. Kirby Lambert further explained that the reason for having this policy is due to the fact years ago art was loaned to any state office that requested it and we learned the hard way that we couldn't keep track of it. About 30 years ago the Board instituted this policy. Tom Nygard asked if there was a list that tells people what they can select from. Bill stated there is a notebook with pictures of the art pieces. A MHS staff member presents the notebook to the requesting director and the director then chooses a piece of art. The staff member checks to see if that piece is available to be displayed. Ed Smith noted there simply is not adequate security in a lot of the state building. Tom Nygard asked Bill if the offices he is speaking about are located in the Capitol building. Bill stated yes. **Jim Utterback moved to approve the addition of the Secretary of State's office to the Capitol Art Project. Jack Lepley seconded the motion and the motion carried unanimously.**

Bill Mercer introduced Patty Dean, Curator of History. Patty explained she had been on staff here at MHS from 1979 – 1984, first as Registrar and then as Curator of Collections. She graduated from Helena High School, attended Carroll College and received her history degree. Patty went to graduate school at Cooperstown Graduate Programs which specialize in museum and conservation programs and got her masters degree. She moved to Little Rock, Arkansas where she became the Founding Curator for the Arkansas Arts Center/Decorative Arts Museum.

She was responsible for getting a new museum off the ground with programs, collections, and building up audiences. From Arkansas she went to the Minnesota Historical Society in St. Paul and took a job as Museum Collections Manager. In 2004, Patty worked as a Contract Public Historian and did some work on contract for MHS as well as other cultural entities. She has come full circle and is very excited to be back at MHS and working with a really great staff. She is finishing up the African American Heritage Project and looking at a wonderful list of projects and priorities that are yet to come.

Research Center – Molly Kruckenberg

Molly presented the deaccession list totaling 192 items. These items are collection duplicates, non-Montana material or outdated reference material. Lee Rostad asked if she could reserve some items for the library. **Ed Smith moved to accept the 2008 deaccession list. Lee Rostad seconded the motion and the motion carried unanimously.**

Molly introduced Jeff Malcomson, Government Records Archivist in the Archives section of MHS. Jeff stated he was trained in Colorado at the State University where he got his masters degree. He worked in Denver and then moved onto Arizona where he worked for seven years. Jeff has been with MHS since 2005. He handles the accessions and acquisitions of the government records that come in from the Governor's Office or any of the state agencies. Kent Kleinkopf asked Jeff what condition our work load is in because it seems to be a concern when he is asked about a new structure. Jeff responded that he is also the staff person for retrieval from the Shiver Center and they just added 900 linear square feet of shelving which gives us a good amount of space, however, this is the only space we have. Once this Governor leaves, the space will be full. Kent Kleinkopf stated his question is more aimed at security of the records if a major pipe broke. Molly Kruckenberg said it would be a major disaster if there was a pipe break. Museum staff and security staff walk the area daily and check the area for leaks. If there was a major leak on a Saturday night or Sunday morning it would be a disaster. We have disaster plans in place and a committee within MHS that is a disaster response committee to handle this. Molly said that in a brand new building there would be this type of disaster concerns as well. Tom Nygard asked Molly why MHS doesn't move to the world of scanners and digitalization. Molly said it is the cost factor and digital is not a long term preservation strategy at this time. Jeff presented paperwork on the Montana County History Initiative. He explained this is the latest statewide outreach effort. A steering committee was recruited from libraries, museums, historical societies, historic preservation officers or volunteers as well as teachers. The goals of this broad-based initiative are to build relationships among people working with Montana's local history and heritage resources to provide support in the form of training and expertise. With more than two dozen county centennials approaching over the next dozen years, the Montana Historical Society hopes to assist counties and local governments alike to celebrate the riches of their own local heritage. The Society's staff offers numerous workshop-type programs on topics as diverse as historic preservation, archaeology, community history, archives and museum methods, oral history, and utilizing heritage education in the classroom. Six regional conferences were scheduled. Jeff stated the first conference was in November, 2008 in

Forsyth, Rosebud County. The word is out that MHS wants to provide support and build relationships. Conferences are planning as follows: March, Great Falls; April, Columbus; May 1-2 in Sidney and May 7-8 in Missoula; and June, Butte. The long term idea is to try to address the need to train and interact with local institutions as they have county centennials and other commemorative events.

STATE HISTORIC PRESERVATION-SHPO-Mark Baumler

Mark reported that it has been a very productive quarter for SHPO culminating with the biennial preservation awards ceremony which was held at the Myrna Loy. Mark announced he appreciated the trustees that were able to make it to the event. He presented programs of the awards ceremony to the Board. There were approximately 200 people attending the ceremony and about 125 at the reception. Mark thanked the MHS Volunteer Program for helping put together the reception. Mark announced that images of the ceremony had already been posted on web for all to enjoy by Damon Murdo. Mark asked Stan Wilmoth to come and speak to the Board about the next big event being planned called the Tribal Heritage Resources Summit. It will be held in Helena March 25, 26, and 27, 2009. Stan reported he has been with MHS since 1993. He came to Montana in 1982 and did research up at Blackfeet. As a State Archeologist about 80% of his time is spent reviewing federal and state undertakings that might affect archeological properties or properties of interest to American Indian tribes. He is one of three reviewers that look at those things. Probably the most fun aspect of Stan's job is the Archeology Day which is held in the fall. There were over 600 students this past fall, from second grade to seniors in high school. This was the largest turnout in the state. Stan said he is also the staffer for the State Burial Board under the Unmarked Burial Act and he handles about six cases a year. Stan commented that the Tribal Heritage Resources Summit is a one time event. In an effort to expand it and make more relevant and more interesting to Tribal representatives he partnered with the BIA and the Governor's Office of Indian Affairs. There is enough money through the Preserve America Grant to give scholarships to between 20 and 24 cultural representatives of each of the reservations. We plan on having representatives come to Helena in March. Stan is presently putting the agenda together. He plans an open forum for those representatives to discuss things amongst themselves rather than us setting up the agenda and asking them to provide information. There are five Tribal Historic Preservation offices in the state. The Governor's Office has offered to make sure there are industry representative in attendance if that is what the Tribal representatives want. One of the reasons we got the Preserve American grant was for things like investigating and encouraging or at least finding out what could happen with Tribal Heritage Tourism and Tribal Economical Development. Stan said if any of the Board members have any insights or suggestions he would love to hear from them. Kent Kleinkopf asked Stan to be sure the Board members are on his mailing list. Steve Lozar made the comment, that in past times, when it came to a State Archeologist or State Preservation Office working with the Bureau of Indian Affairs, tribes often looked at those positions very warily. He was glad to report with the present State Archeologist that view is changing and a relationship of partnership is forming. Steve complimented Stan saying that Stan has brought a very inclusive holistic approach to his office and the tribes appreciate it.

PUBLICATIONS-Molly Holz

Molly presented the most recent issue of the Montana Western Magazine of History and the long awaited quilt book for the Board's review. She highlighted some items listed in the quarterly report noting the Western History Association renewed the magazines contract for another five years. Molly announced that print bids were out right now with several printers for the quilt book. Budgetary bids are running about \$30,000.00. Richard and Molly have been working on fund raising for the book and she is pleased to report that they have received about \$6,000 in private donations from quilt groups and individuals around the state. She was also pleased to report other donations from companies have been received. They will still be able to add donors to the front page at the blue line stage, which is about six weeks off, if any of the Board members wish to contribute or if Board members know of others wanting to donate. Molly reported that Publications just conducted a testing mailing. They bought the mailing list from the Smithsonian and the Montana Magazine subscribers. The response from that mailing was about 300 new subscriber members. She stated it was cost effective in terms of revenue generated. Direct mailing seems to be the best way to build membership and subscribers. With the tough economy Molly is hearing nationally that print advertising sales are going down and publishing is seemingly in crisis. Molly introduced Diane Gleba Hall, MHS Graphic Designer. She stated that Diane has been doing the design for the magazine since 2003. She joined the staff last February. Diane works part time for Publications and she also does other projects for MHS. Diane introduced herself explaining she went to the Rhode Island School of Design and after she graduated she worked for several years in design until she came upon publishing. She has been doing book publishing since the mid-80's. Diane presented her portfolio for the Board to review. Diane has been working on the new logo for the Historical Society. She said she has been trying to unify the image. She has also worked on the text book and is working closely with Chris Carson on web design. Kent Kleinkopf said he always wondered who was responsible for the covers of the magazine. Molly said it is a joint staff effort but Diane is responsible for the beauty of it. Tom Cook complimented Diane for the help she has given him in designing *The Society Star*. Crystal Wong Shors wanted to take this opportunity to thank all the program managers and staff for all they accomplished in 2008. A nice round of applause was given by the Board of Trustees. Jim Murry noted that it is appropriate at this time to give applause and also appropriate at every meeting. He stated he likes the new format of hearing from staff at the meetings because it helps the Board make a better connection of what is going on at MHS.

Director's Report – Richard Sims

Legislative Issues – Richard reported the major concern is tracking HB 2, the budget bill. We brace for the discipline biennium with \$100,000 less to operate with each year, unless of course, we make that up with our own entrepreneurial efforts through the store, membership program, publication sales, grants and contracts, and general giving. There are many ways we are allowed and blessed as a state agency to aggressively pursue other money. Richard announced there is a friendly bill in the Legislature that we want to support. It is the Centennial Farm and Ranch bill which recognizes families that have been in their part of Montana working the land for at least

100 years. A fiscal note has been attached and anything that costs new money will be extremely difficult to pass. New money is being sought by our friends at the Daly Mansion and St. Maries Mission in Stevensville. If we should be called to testify, we would have to reluctantly say we oppose any bill that brings new money.

President's Report – Jim Murry

Jim said there isn't going to be new money for anything in the Legislature. This comes from the economy that we are all being faced with. Jim reported that he and Jim Utterback have met with Dave Lewis to talk about preserving MHS bonding authority. Dave is interested in helping. They also met with Mike Cooney and he is interested in helping preserve our bonding authority. Jim noted that at the Capitol Complex meeting a year ago there were other communities that wrote letters expressing an interest in taking the facility to their community. We will need to watch developments very closely. Jim suggested that every Board member stay in touch with their Legislators from their area because Board input is very important. He emphasized the need to be united and work together. Sharon Lincoln suggested if there is any legislation that comes along that might affect the Historical Society that the Board be notified immediately.

Jim welcomed Bob Morgan and said it was really great to see Bob in attendance.

CENTRALIZED SERVICES/FINANCIAL REPORT-Denise King

Denise reported MHS is 50% into the year and right on target budget wise. She thanked the program managers for helping manage the funds and keeping within the budget. Last Wednesday Richard and Denise met with the Joint Committee of Education for the budget meeting. Goals and objectives were presented showing that every county has been touched by MHS services. Each Legislator on the Joint Committee received a binder outlining the History of the Montana Historical Society. In August, MHS submitted their budget to the Governor's Office. In November, the Governor's Office made some adjustments and once again in December. Vacancy savings was increased from 3% to 4%. The impact on the Historical Society per fiscal year is about \$240,000 in vacancy savings that we need to address. We are planning the future. If those cuts continue for the biennium we have kept the vacancies that are open currently and we will adjust. At the end of April, we will know what our budget really is. At that time, Richard will make the determination of how we are going to go forward with the vacancy savings. There is a \$100,000 in operating reduction in each biennium. Jim Murry asked Denise if there was any discussion about vacancy savings and changing that percentage. Denise stated today there was a motion in front of the Joint Committee about giving back some of that vacancy savings and that did not pass. Denise noted that MHS will be ok because we will get our bed tax money which is roughly \$460,000. Part of that pays for the Scriver Center. The remainder will be spread among the Museum Program, Education and part of it goes into Admin. Denise explained that last year the program managers were told to submit a budget. Richard and Denise reviewed the budgets and made some adjustments and the funds that lived in Admin were given to the programs based on what their plan was and what was approved by Richard. Budgets

will be tight but MHS will be fine. The budget office has made the commitment that if we do have people retiring or people leaving our service and there is a payout we can ask for contingency funding at the end of the fiscal year. Jim Murry asked Denise if there was a vote today on the Publications money which caused concern earlier in the week. Denise said that issue didn't come up. She gave a clarification to the Board of the Publication Program money discussion. The Legislative Analyst indicated that she believed that there were extra funds in the Publication Program, roughly \$100,000 each year. Information was presented and we met with the Chair of the Joint Committee and showed him we disagreed with the Legislative Analyst. The issue did not come up today in session. The Committee passed the Governor's budget as it stands today, however, they did not close the hearing on each of the agencies. There is an opportunity, at some point, for someone to go in and make a motion and ask for either increases or decreases to an agency budget. Denise and Richard will be tracking this possibility. Steve Lozar stated as he looks over the quarterly report and sees money being saved on the vacancies by not filling them, he is concerned about the head of security position not being filled. In this day and age that position is very important. He questioned if the Society will be put in jeopardy by not filling this position. Richard responded that the quick answer is no. Richard responded that he is the Acting Chief of Security. He is reforming the current team to a new level of service and team work and he thinks we will be alright. **Jim Utterback moved to accept the Financial Report. Kent Kleinkopf seconded the motion and the motion carried unanimously.**

Director's Report continued

Richard announced that Ken Burns is coming to Bozeman. He asked Susan Near to talk about the event she is organizing. Susan said Ken Burns and Dayton Duncan are giving a presentation at the Emerson Cultural Center. She mentioned the invitations for the Board were in the mail. The public presentation is at 7:00 p.m. in the auditorium and the pre-event will start at 5:00 p.m. in the Weaver Room. A lot of publicity has gone out and ticket sales are going well. Susan said people are coming to this event from all over the state. The meet and greet pre-event is limited to 75 people and the tickets are going fast. Richard commented that he hopes the event will help MHS make a presence in Bozeman.

Richard reported on the relationship between MHS and the Greater Montana Foundation stating GMF has committed \$100,000 a year for six years. He said there are strong indications they will continue beyond that relationship. Meeting discussions included how to get some money on the ground sooner rather than later to bring this institution into the world of video technology, production and presentation. The Board of GMF will stipulate in their third \$100,000 gift that some of that money does get spent right away on video purchases and video training and they indeed will stipulate which consultant they want us to work with. In June, GMF will have their Board meeting in this auditorium. He highlighted the areas in the auditorium which will be improved and updated. It will continue to be an auditorium and a recording studio.

Richard stated he has returned from some work in Japan where his son teaches in our sister state of Kumamoto. He and his wife went to visit their son over the holidays and he conjured up some museum business. He hopes to see curatorial exchanges in the future. He's looking to find some funding to bring a Japanese curator to work with us and learn how we do business and over time we will send one of our staff over there. They have some very impressive museums and a very modern art museum in Kumamoto along with a unique traditional crafts museum. Discussions have begun to pick up the pace of cultural exchange. Richard drove through Obama, Japan. He was mindful of the upcoming inauguration and then the national global discussion on whatever stimulus package starts to percolate up and trickle out to all of the states. We will certainly as a state agency in Montana be mindful of what monies are being sent to Montana and how they are being applied. Historic preservation is an obvious area where a lot of jobs can be put to work.

PUBLIC COMMENT

President of the OGM Board Norma Jean Kelly explained that a letter was written in December, 2008 about a scare regarding the OGM Board finances. She stated that the OGM Board started in 1969 under the City of Helena. The original Board lasted until 1980. In that year, the City of Helena started having financial problems and needed to close the house down for part of the year. They asked the Historical Society to take over the OGM. When MHS took over the OGM everything including the 14 member-volunteer Board and the methods used under the City were transferred to MHS as outlined under the guidance of the City of Helena. It was never made official where the Board stood regarding being a private Board or being a part of the State. Recently it came up that the money being held since 1980 in the Board's accounts and in CD's had to be turned over to the State. Ms. Kelly stated a letter was written to the State asking for the legal reasons why the money had to be turned over to the state. She stated the Board also wanted to know how much money there was exactly because MHS has several org units that contain OGM money. She stated the Board will turn over the money as long as they have some reassurances that the money will be used for what it was raised for. The people that come to sponsored events do it to give towards the mansion and its restoration. Ms. Kelly also stated the Board would like legal reassurance that protects the Board from any tax liability, if something should turn up in the future. She said right now the Board is inactive. They are not making any plans or doing any fundraising. The Board is waiting to hear answers to these questions.

Jim Murry said he will speak for himself since he was copied on the letter. He said he thought it was an administrative issue that could be worked out that is why this matter isn't on the agenda.

Richard Sims stated he is in receipt of the letter. The letter was not signed but it came on letterhead from the OGM Board. The letter sought a response from the Attorney General and that office replied that it is not in their purview to give an opinion on that relationship. Richard said we now have our own agency attorney assigned to us and that person will be attempting to respond to Ms. Kelly's many good valid questions. We are hoping the dialog will help clear the air and help us all move forward.

Laura Schroeder announced that the questions being asked are for the future benefit of the mansion. This is not about the Board or anybody else but about the old building. We want to do the right thing and that is why some of the Board members have come today.

Jim Murry asked Denise King if she had anything to add. Denise responded that the issue came up in the fall and the information that was provided to her was the OGM Board was using the Society's Tax ID number. Jim Murry asked Denise if the funds have been put into dedicated accounts. Denise responded the funds are in a dedicated account just for the OGM. She said there would be no co-mingling of any other funds going into the OGM fund. In fall, a document was provided to her that identified a different Tax ID number that was not the State's number. Denise visited with the Treasurer of the Board asking her to check with the Board's financial institutions verifying what Tax ID number was associated with those accounts. It happened to be the newly discovered Tax ID number. This changes our opinion because now it is not a State Tax ID number but a different Tax ID number held by the OGM. Jim asked if it was assigned to a non-profit. Denise said she didn't think so. Ms. Kelly said that for years Susan Near has given the Board the form held by Denise as proof we are tax exempt and it says right on the form that this does not mean you are tax exempt. It is only an employee identification number with the IRS. She stated that since 1994, when this was assigned, the Board has been operating illegally. We have been collecting money tax free apparently. Denise said unfortunately, the group are not registered with the Secretary of the State's Office nor have tax returns been filed with the State or Feds.

Vicki Woodrow, Secretary of the OGM Board, stated that on both sides there are questions as to what we are, who we are and where we are. When we look at how we operated over the years there appears to be a question that we are operating under the auspices of the Montana Historical Society. We don't have a problem in that regard and we don't have a problem turning the money over to the State either. We have been walking down a line and have had one foot in both sides. We don't know how we stand and we don't know how to proceed from years ago. In 1980, when the State took over running of the mansion, that entity that we had been, no longer existed and everything was lapsed because we were under the impression that we were under the State of Montana Historical Society. Vicki said they have issues that need to be worked out and we need to work them out together so that our feet don't walk that line. If there is tax liability and if it comes down to having to fall on the Board there won't be any money anyway. It will be gone. If we turn it over to the State, then maybe there are some protections there. These are the questions we need to address. When it comes down to it, we are asking for assistance. We want to continue as a group that preserves and restores that building and that is why we are on the Board. We are a group of people who are very much interested and have in our hearts the preservation of that building. We want to continue to do this. Right now, we can't continue because we don't know where to go.

Jim Utterback stated the Board of Trustees can't answer that question because it needs to be run through legal and accounting channels. Jim Murry said to correct him if he is wrong but he feels everyone is working together to resolve issues. Denise King stated Richard suggested we get

together in February and have a mediator to work through the issues. Unfortunately, Richard was ill after his trip to Japan and the person contacted to be a mediator was having some health issues so the date for this discussion has not been scheduled. Jim Utterback questioned why a mediator was needed. Denise said there are two different issues. One issue is the financial issue and needs to be worked through legal means. The communication, goals and entity relationship is another issue. Crystal Shors suggested that the proper wording would be a facilitator. Denise agreed. Jim Utterback noted that the legal/accounting issue needed to be handled first. Denise said they will meet with their attorney from the Department of Justice. Kent Kleinkopf asked if the funds are frozen and if any of the funds are being extended. Denise responded that the issue is in the hands of the group. Vicki Woodrow answered that the funds are not presently frozen because they still have outstanding invoices coming in from the Holiday Home Tour. Once everything is paid there should not be any additional activity. Jim Court asked Vicki what kind of money they are talking about. Vicki stated it is about \$41,000 and it is being held by a bank account, checking account and four or five CD's. Vicki said they want to try to preserve that funding for what it was raised for. She said the other issue they have is that the members were doing what they were doing in some cases at the direction of the Historical Society staff. They can not keep walking the line. Jim Utterback asked Vicki if they had gotten some legal advice. Vicki stated yes. Jim Murry said we can't resolve the issues here. He hopes we will continue working together and noted that we can't give advice because we could be hurting rather than helping. Vicki said the intent at this meeting was to have the opportunity to voice our concerns and issues. She said we want to continue preserving the building.

Adjournment: The Board meeting adjourned at 11:50 a.m.